# 82 - 1745

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ALEXANDER L. STEVAS, CLERK

NO.\_\_\_\_\_

# Supreme Court of the United States October Term, 1982

KATHERINE MARIE PASCOE, Appellant

V.

I. KUEHNAST, Appellee

On Appeal From The Supreme Court Of Texas

JURISDICTIONAL STATEMENT

DAVID B. KULTGEN BEARD & KULTGEN P. O. Box 529 Waco, Texas 76703 (817) 776-5500

Counsel For Appellant

#### QUESTIONS PRESENTED BY APPEAL

- (a) Whether judgment of Texas courts that a deed of a married woman conveying community property without joinder of her husband was invalid because of the non-joinder under Article 4619 V.A.C.S. Texas (now repealed), which provided that community property could be disposed of by the husband only, was erroneous as a denial of equal protection of the law under the Fourteenth Amendment to the Constitution of the United States.
- (b) Whether judgment of Texas courts holding that a covenant of warranty made by a married woman in a deed purporting to convey community property was invalid on the ground of disability of coverture was erroneous as a denial of equal protection of the law under the Fourteenth Amendment to the Constitution of the United States.

### LIST OF PARTIES

The caption contains the names of all parties to this proceeding.

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# Supreme Court of the United States October Term, 1982

# KATHERINE MARIE PASCOE, Appellant

v.

I. KUEHNAST, Appellee

On Appeal From The Supreme Court Of Texas

# JURISDICTIONAL STATEMENT

## REFERENCE TO REPORTS

The only opinion written in this case was the opinion of the Court of Appeals for the Tenth Supreme Judicial District of Texas at Waco ("Tenth Court") dated October 7, 1982. It will be, but has not yet been, officially published in the Southwestern Reporter, 2nd Series.

# STATEMENT OF GROUND ON WHICH JURISDICTION IS INVOKED

This is an appeal from an order of the Supreme Court of Texas by which Appellant's application for writ of error to review the action of the Tenth Court affirming a trial court judgment adverse to Appellant was denied with the notation "Refused. No Reversible Error." The order of denial was entered on January 26, 1983. Order Overruling Motion For Rehearing was entered on March 2, 1983. Notice of Appeal to this Court was filed with the Clerk of the Supreme Court of Texas on March 24, 1983. The statutory provision believed to confer jurisdiction of this appeal on this Court is 28 U.S.C., § 1257(2).

# CONSTITUTIONAL PROVISION AND STATUTE INVOLVED

A portion of the Fourteenth Amendment to the Constitution of the United States which reads:

"No State shall . . . deny to any person within its jurisdiction the equal protection of the laws."

Article 4619 V.A.C.S. Texas (now repealed) which reads:

"During coverture the community property of the husband and wife may be disposed of by the husband only . . ."

## STATEMENT OF THE CASE

Appellee Irving Kuehnast ("Irving") and his wife, Maxine, bought a residential lot in Waco, Texas, while he was stationed there as an Air Force officer from 1954 to 1956. Under Texas law (Article 4619), the lot was community property of Irving and Maxine. Irving and Maxine later became residents of Iowa. They were separated for several years and then divorced. The divorce decree did not dispose of the marital property. Such a disposition was made in a separate order entered several weeks after the divorce.

While Irving and Maxine were separated but not yet divorced, Maxine, purporting to act individually and as attorney-in-fact for Irving under a power of attorney which had been revoked, conveyed the lot to Appellant Katherine Marie Pascoe ("Pascoe") in settlement of a debt. A number of years later, Irving brought this suit in the 74th District Court of McLennan County, Texas, to recover the lot from Pascoe. A jury trial was had. On the basis of the verdict, the trial court entered judgment that Irving recover the lot. Pascoe appealed to the Tenth Court. It affirmed the judgment of the trial court. Under Texas practice, she sought review of the action of the Tenth Court by an application for writ of error to the Texas Supreme Court. This was the only avenue available to her for further review by the Texas courts. The application was denied with the notation "Refused. No Reversible Error." Under Texas practice this notation indicated that the Texas Supreme Court was not satisfied that the Tenth court opinion was completely correct but found no error which required reversal. Pascoe filed a motion for rehearing with the Texas Supreme Court which was overruled.

On her appeal to the Tenth Court, Pascoe made the following assignment of error:

"The Trial Court erred in entering judgment that Irving Kuehnast recover the Maxine Kuehnast community one-half interest in the lot in question."

In Kirshberg v. Feenstra, 441 U.S. 991, 101 F.C. 1195, 67 L.E.2d 428 (1981), this Court struck down a Louisiana statute which provided that the husband had the power to "alienate" community property without the wife's consent. Feenstra was a suit against the wife to foreclose a mortgage on a community property house in Louisiana. The mortgage was executed by the husband alone. This Court held that the mortgage was invalid as to the wife because no justification was shown for the Louisiana statute's discrimination against women; therefore the provision which allowed the husband to alienate without consent of the wife was invalid because it violated the equal protection provision of the Fourteenth Amendment.

Here, in overruling the assignment of error quoted above, the Tenth Court made no mention of *Feenstra* or of equal protection. It said:

"The Texas law which controlled the disposition of community property at the time of Maxine's deed was Article 4619 V.A.C.S. which provided that the husband, as the sole manager of the community, had the exclusive right to convey community property.

... Thus the attempted conveyance of Texas community property by Maxine as the wife, without the valid joinder of the husband, was void."

Further, in passing upon Pascoe's contention that when Maxine and Irving were divorced, if the deed to Pascoe had been ineffective to convey Maxine's interest in the lot, that interest passed upon the divorce under the doctrine of after-acquired title, the court recognized that upon divorce without disposition of the lot in the divorce decree, Irving and Maxine became tenants in common of the lot. It also recognized that under Texas law when a deed, purporting to convey a definite estate in land, contains a general warranty, the grantor will be estopped from asserting against the grantee an after-acquired title to the interest which the deed purported to convey. Though the deed from Maxine to Pascoe contained a general warranty, the court declined to apply the doctrine of after-acquired title stating:

"In Wadkins v. Watson, 86 Tex. 194, 24 S.W. 385 (Tex. 1893) the court rejected the doctrine's (after-acquired title) application against the warranties of a married woman and recognized that such application would indirectly repeal her disabilities of coverture. Since the doctrine of after-acquired title is a doctrine in estoppel resting on the warranty of the grantor and in this case the warranty being a nullity, the doctrine is not applicable."

Obviously, the provision of Article 4619 on which the Tenth Court relied was indistinguishable from the Louisiana statute which this Court struck down in Feenstra. It equally "embodies the type gender-based discrimination that we (this Court) have found unconstitutional absent showing that the classification is tailored to further an important governmental interest." (Quotation from Feenstra opinion). Here, as in Feenstra, no showing was made of an important governmental interest justifying discrimination between the sexes. Therefore, it is clear that Article 4619 was violative of the equal protection clause of the Fourteenth Amendment and the Texas courts were in error in applying it to invalidate the deed from Maxine to Pascoe.

This leaves the question of whether the joinder of both spouses was necessary for an effective conveyance of community property or whether each was free to convey his own undivided interest in the community. This is a question which should be left to the Texas Courts on remand.

But even if the Court should conclude that joinder of both spouses was necessary to convey the lot while Maxine and Irving were married, the judgment below should be reversed. The holding of the Tenth Court that the wife's covenant of warranty was not binding upon her because of the disability of coverture is just as surely a denial of equal protection as the holding that the husband was the sole manager of the community property and had the exclusive right to convey the community property under Article 4619. If Maxine's community interest in the lot became an undivided one-half interest upon entry of the divorce decree and if the Texas courts were in error in holding that Maxine's covenant in the deed to Pascoe was invalid because she was a married woman, under Texas law as interpreted by the Tenth Court, the undivided onehalf interest passed to Pascoe under the doctrine of afteracquired title.

The stage in the proceedings at which the question sought to be reviewed was first specifically raised was in Pascoe's brief filed in the Tenth Court in support of the assignment of error above quoted. Under Texas law, this was in time for the Texas courts to consider the question. See Gohlman, Lester & Co. v. Whittle, 273 S.W. 803 (S.C. Tex. 1925).

### STATEMENT OF SUBSTANCE

The question which is raised here is so substantial that it requires plenary consideration for its resolution because of the importance of implementing the Fourteenth Amendment by eliminating all discrimination in American society based on sex. Even though Article 4619 has been repealed, the failure of the Texas courts to deal with Feenstra reflects a reluctance to abandon the notion that sex and marriage per se are reasons which justify disparate treatment of men and women which can only be overcome by this Court's rigorous insistence on adherence to the principles of equal protection.

# APPLICATION OF 28 U.S.C. 2403(b)

Neither the State of Texas nor any agency, officer, or employee of the State is a party to this suit. Therefore, 28 U.S.C. § 2403(b) may be applicable.

BEARD & KULTGEN P. O. Box 529 Waco, Texas 76703 (817) 776-5500

David B. Kultgen Counsel for Appellant, Katherine Marie Pascoe

# CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Jurisdictional Statement has been mailed to each of Mr. James O. Terrell, P. O. Box 2367, Waco, Texas 76703, and Honorable Jim Mattox, Attorney General of Texas, Supreme Court Building, P. O. Box 12548, Austin, Texas 78711, by certified mail, return receipt requested, on this the \_\_\_\_\_ day of April, 1983.

DAVID B. KULTGEN

#### APPENDIX

(a) Judgment of the 74th District Court of McLennan County, Texas

CAUSE NO. 72-1074-3

IN THE DISTRICT COURT McLENNAN COUNTY, TEXAS 74TH JUDICIAL DISTRICT

(Filed February 26, 1982)

I. KUEHNAST

V.

### KATHERINE MARIE PASCOE

### **JUDGMENT**

On the 22nd day of February, 1982, came on to be heard the above entitled and numbered cause and I. KUEHNAST, Plaintiff, and KATHERINE MARIE PASCOE, Defendant, appeared in person and by their respective attorneys of record and announced ready for trial.

At the conclusion of the evidence, the Court submitted the case to the jury on special issues. The charge of the Court, the special issues, and the verdict of the jury are incorporated herein by reference the same as if fully copied and set forth at length. Based on the verdict of the jury and the evidence adduced at the trial, the Court makes the following Orders:

IT IS ORDERED that the Plaintiff recover from the Defendant title to and possession of the following de-

scribed property situated in McLennan County, Texas, and have Writ of Possession:

BEING a tract of land out of the J. M. Stephens Survey in McLennan County, Texas, and being a part of that certain 20 acre tract of land conveyed to M. S. Brooks, Jr. by deed recorded in Volume 472. Page 670 of the McLennan County, Texas deed records. Said tract also being a part of the old M. J. Cooper 230 acre tract, deed recorded in Volume 330, Page 32, of the McLennan County, Texas deed records. BEGINNING at an iron stake in the N E corner of said 20 acre tract: THENCE S 63 degrees 15' W 452.5 ft. with the North line of said 20 acre tract, a fence line, to iron stake: THENCE S 14 degs. 17' W 499 ft. to iron stake for beginning corner of herein described tract of land. THENCE S 75 degrees 53' E 243.4 ft. to an iron stake in the West line of a 40 ft. road: THENCE S 15 W 192.5 ft, with the West line of said road to an iron stake at the N E corner of the Herbert M. Kay 2.15 acre tract, deed recorded in Volume 740, Page 580 of said deed records. THENCE S 64 degs. 47' W 314.6 ft. with the North line of said 2.15 acre tract to iron stake for SW corner of this. THENCE N 27 degs. 30' E 144.7 ft. to iron stake for NW corner of this. THENCE S 75 degs. 53' E 31 ft. to the place of beginning.

## **EASEMENT**

BEING a tract of land out of the J. M. Stephens Survey in McLennan County, Texas, and being a part of that certain tract of land conveyed to M. S.

Brooks, Jr. by deed recorded in Volume 472, Page 670 of the McLennan County, Texas Deed Records. Said tract also being a part of the old M. J. Cooper 230 acre tract, deed recorded in Volume 330, Page 32 of the McLennan County Deed Records. BE-GINNING at an iron stake in the N E corner of said 20 acre tract. THENCE S 63 degs. 15' W 452.5 ft. with the North line of said 20 acre tract, a fence line, to iron stake. THENCE S 14 degs. 17' W 499 ft. to iron stake. THENCE N 75 degs. 53' W 31 ft. to iron stake for beginning corner of herein described tract of land. THENCE S 27 degs. 30' W 144.7 ft. to an iron stake in the North line of the Herbert M. Kay 2.15 acre tract, deed recorded in Volume 740, Page 580 of said deed records. THENCE N 64 degs. 47' W 221.7 ft. to iron stake at N W corner of said Kay Tract. THENCE N 82 degs. 46' E 269.5 ft. more or less, to the place of beginning.

IT IS FURTHER ORDERED that Defendant do have and recover from Plaintiff the sum of \$2,834.78 for taxes paid on the property, together with interest upon said sum at the rate of nine percent (9%) per annum from date of judgment.

All costs of Court incurred are taxed against Defendant for which execution may issue.

SIGNED this 26th day of Feb., 1982.

/s/ DERWOOD JOHNSON Judge Presiding

# (b) Opinion of the Court of Appeals for the 10th Supreme Judicial District of Texas

## AFFIRMED OCTOBER 7, 1982

NO. 10-82-041-CV

Trial Court # 72-1074-3

IN THE
COURT OF APPEALS
FOR THE
TENTH SUPREME JUDICIAL DISTRICT OF TEXAS
AT WACO

KATHERINE MARIE PASCOE, Appellant

V.

I. KEUHNAST, Appellee

From 74th Judicial District Court McLennan County, Texas

#### OPINION

This suit in trespass to try title, with alternate pleas, was brought by Irving Keuhnast against Katherine Marie Pascoe to recover the title and possession of a tract of land in McLennan County, Texas.

The evidence reflects that in 1942 Irving Keuhnast (hereinafter referred to as Irving), a career Air Force Officer, was married to Maxine Keuhnast (hereinafter referred to as Maxine). From 1954 to 1956 he was stationed in Waco, Texas, and while here, he and Maxine purchased a piece of property which is the subject matter of this lawsuit. The property was purchased with community funds, the salary of Irving from the Air Force.

In 1957 Irving gave Maxine a General Power of Attorney in anticipation of being transferred overseas.

On August 13, 1963, Irving revoked the Power of Attorney and such revocation was filed for record in McLennan County, Texas, on August 23, 1963.

In due time Irving and Maxine moved to the state of Iowa where they lived as husband and wife until they separated and divorce proceedings were commenced.

After moving to Iowa, Maxine became very friendly with Appellant, Katherine Marie Pascoe (hereinafter referred to as Katherine), and during the course of their friendship Katherine claims to have advanced to Maxine, as living expenses, a sum of approximately \$6,000.00.

Upon revoking the Power of Attorney, Irving gave Maxine notice of his action, but notwithstanding such notice, Maxine on March 26, 1965, executed a deed to the Waco property, conveying it to Katherine in satisfaction of the debt which Maxine is alleged to have owed to her.

On August 23, 1965, Irving and Maxine were divorced by a court in the state of Iowa. The decree of divorce did not make any disposition of the properties, but on October 28, 1965, a further decree was entered in which the Waco property was awarded to Irving, and Maxine was ordered to execute such instruments as were necessary to quiet the title in Irving.

At the divorce hearing both Maxine and Katherine were present and neither one advised the court that Maxine had already deeded the property to Katherine.

The case was submitted to the jury on Special Issues in answer to which the jury found; (1) that the execution of the March 26, 1965 deed from Maxine to Katherine was intended by Maxine to defraud Irving of that to which he was or might become entitled; (2) that the execution and delivery of the March 26, 1965 deed from Maxine to Katherine was intended by Maxine to delay or hinder Irving from obtaining that to which he was or might become entitled; (2a) that at the time Katherine received the March 26, 1965 deed she knew of Maxine's intent to delay, hinder or defraud; (3) that Maxine by executing and delivering the March 26, 1965 deed to Katherine, sought to satisfy the obligations of Maxine to Katherine with the community interest of Irving in the Waco land; (4) that at the time Katherine received the March 26, 1965, deed to the Waco property, she knew that Maxine was delivering to her the community interest of Irving in satisfaction of Maxine's obligations to Katherine; (5) that Irving gave notice to Maxine of the revocation of the Power of Attorney before she executed the deed to Katherine; (6) that Irving did not give oral authorization to Maxine to execute the deed to Katherine by telephone shortly before the deed was executed; that Maxine did not have apparent authority to execute the deed to Katherine on behalf of Irving;

and (8) that Maxine did not incur a debt to Katherine in settlement for which she executed the deed in question.

Based upon the verdict of the jury and the evidence adduced at the trial the court entered judgment that Irving recover of and from Katherine the title and possession to the Waco property, and have a writ of possession.

The court further ordered that Katherine recover from Irving \$2,834.78 for taxes paid on the property during the time she held possession thereof.

Katherine has appealed on five points of error, the first of which charges the trial court erred in entering judgment that Irving recover the Maxine community one-half interest in the lot in question.

Katherine bases her argument on two theories:

- (1) A petitioner in a trespass to try title suit, can only recover on the strength of his own title. Since he proved only a one-half community property interest that transformed, after his divorce, into a one-half undivided interest, he could only recover that undivided interest;
- (2) Maxine's interest passed to Katherine under the doctrine of after acquired title.

The property in dispute, acquired during the course of Maxine's and Irving's marriage, was community property. Colden v. Alexander, 171 S.W.2d 328 (Tex. 1943), article 4619 V.A.C.S. Since the status of property, as separate or community, becomes fixed at the time of its acquisition, the property continued to be community property even though Maxine and Irving became residents of the State of Iowa. Smith v. Buss, 144 S.W.2d 529 (Tex. 1940)

The law which governs the validity of a conveyance of title to land is the law of the state in which the land is situated and not the state in which the instrument is executed. Colden v. Alexander, supra, Erwin v. Holliday, 131 Tex. 69, 112 S.W.2d 177 (Tex. Comm. App. 1938, opinion adopted).

The Texas law which controlled the disposition of community property at the time of Maxine's deed was article 4619 V.A.C.S. which provided that the husband, as the sole manager of the community property, had the exclusive right to convey community property; except where the husband had abandoned the wife, was confined to the penitentiary, became insane or lacked legal capacity. Any other attempted conveyance by the wife alone was void. Lasater v. Jamison, 203 S.W. 1151, (Civ. App.—San Antonio 1918, writ ref'd), Smith v. Anna-Manna, Inc., 384 S.W.2d 908 (Civ. App.—San Antonio 1964, no writ), Lockhart v. Garner, 298 S.W.2d 108 (Tex. 1957).

Thus, the attempted conveyance of Texas community property by Maxine as the wife, without the valid joinder of her husband, was void. Furthermore, Maxine's deed, found by the jury as a conveyance made in fraud of Irving's interest, was void; so it could not support a title to Katherine. Katherine was left in the position as a mere trespasser. Art. 3996 V.A.C.S., now codified in Business and Commerce Code, Art. 24.02. Biccochi v. Casey-Swasey Co., 91 Tex. 259, 40 S.W. 209 (Tex. 1897), Messimer v. Echols, 194 S.W. 1171 (Civ. App.—Texarkana 1917, writ dismissed).

After their divorce, without the property having been divided between them, Irving and Maxine became tenants in common of the property. In this suit Irving has been

able to prove only an undivided interest, but as between a petitioner proving an undivided interest in property and a trespasser, the person with the undivided interest has the right to recover the entire property against the trespasser. Branch v. Deussen, 108 S.W. 164 (Civ. App. 1908, writ denied), Padgett v. Guilmartin, 106 Tex. 551, 172 S.W. 1101 (Tex. 1915).

Under the after acquired theory Katherine asserts that the conveyance to her from Maxine became valid when Katherine became an undivided owner of the property after the divorce.

In Duhig v. Peavy-Moore Lumber Co., 144 S.W.2d 878 (Tex. 1940), the Supreme Court analyzed the doctrine of after acquired title and concluded that when a deed, purporting to convey a definite estate in land, contains a general warranty, the grantor will be estopped from asserting against the grantee an after acquired title to the same interest he conveyed to the grantee.

The doctrine is dependent upon the covenant of warranty in a deed. The warranty is the grantor's separate covenant that neither enlarges nor limits the title conveyed. Richardson v. Levi, 67 Tex. 359, 3 S.W. 444 (Tex. 1887). In Wadkins v. Watson, 86 Tex. 194, 24 S.W. 385 (Tex. 1893) the court rejected the doctrine's application against the warranties of a married woman and recognized that such application would indirectly repeal her disabilities of coverture. Since the doctrine of after acquired title is a doctrine in estoppel resting upon the warranty of the grantor and in this case the warranty being a nullity, the doctrine is not applicable.

Appellant's point number one is overruled.

Appellant's points two, three and four charge the trial court with error in failing to disregard the jury's answer to special issue number 8 and entering judgment notwith-standing because there is no evidence to support the issue; that the answer of the jury is against the great weight and preponderance of the evidence, and that the answer to special issue number 8 conflicts with the jury's answer to special issue number 3.

In view of our treatment of Appellant's point one, points two, three and four are immaterial and are over-ruled.

Appellant's point five charges the trial court erred in entering judgment that Irving recover the land in question because his purported revocation of a power of attorney was ineffective.

It is Appellant's contention that the power of attorney was a power coupled with an interest.

We find the power of attorney to be nothing more than a simple general power of attorney and found no interest coupled therewith.

For a power of attorney to be irrevocable as a power of attorney coupled with an interest, there must be an interest set forth within the terms of the instrument itself. Here we find no such interest and overrule Appellant's point number five. Gilmer v. Veatch, 121 S.W. 545 (Tex. Civ. App. 1909, writ ref'd).

The judgment of the trial court is affirmed.

# /s/ GEORGE CHASE Associate Justice

Attorney for Appellant:
David B. Kultgen
Beard & Kultgen
Waco, Texas

Attorney for Appellee: James O. Terrell Waco, Texas (c) Certified copy of orders of the Supreme Court of Texas Refusing Application For Writ of Error and Overruling Motion For Rehearing on Application For Writ of Error

# IN THE SUPREME COURT OF TEXAS

January 26, 1983.

NO. C-1771

From McLennan County, Tenth District.

## KATHERINE MARIE PASCOE

v.

### I. KUEHNAST

Application of petitioner for writ of error to the Court of Civil Appeals for the Tenth Supreme Judicial District having been duly considered, and the Court having determined that the application presents no error requiring reversal of the judgment of the Court of Civil Appeals, it is ordered that said application be, and hereby is, refused.

It is further ordered that applicant, Katherine Marie Pascoe, pay all costs incurred on this application.

No. C-1771

March 2, 1983.

From McLennan County, Tenth District.

### KATHERINE MARIE PASCOE

V.

#### I. KUEHNAST

Petitioner's motion for rehearing of application for writ of error having been duly considered, it is ordered that said motion be, and hereby is, overruled.

I, GARSON R. JACKSON, Clerk of the Supreme Court of Texas, do hereby certify that the above and foregoing is a true and correct copy of the orders of the Supreme Court of Texas in the case numbered and styled as above, as the same appears of record in the minutes of said Court under the dates shown.

WITNESS my hand and seal of the Supreme Court of Texas, at the City of Austin, this, the 24th day of March, 1983.

/s/ GARSON R. JACKSON Garson R. Jackson, Clerk

# (d) Notice of Appeal

IN THE SUPREME COURT OF THE STATE OF TEXAS

NO. C-1771

KATHERINE MARIE PASCOE, Petitioner

V.

# I. KUEHNAST Respondent

# NOTICE OF APPEAL TO THE SUPREME COURT OF THE UNITED STATES

Notice is hereby given that Katherine Marie Pascoe the Petitioner above named, hereby appeals to the Supreme Court of the United States from the final judgment of the Supreme Court of Texas in this cause refusing her application for writ of error with the notation "No Reversible Error" on January 26, 1983 and from its order overruling motion for rehearing of application for writ of error dated March 2, 1983.

David B. Kultgen Beard & Kultgen P. O. Box 529 Waco, Texas 76703

Attorney for Katherine Marie Pascoe

# CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Notice of Appeal to the Supreme Court of the United States, has been mailed to each of Mr. James O. Terrell, P. O. Box 2367, Waco, Texas 76703, and Honorable Jim Mattox, Attorney General of Texas, Supreme Court Building, P. O. Box 12548, Austin, Texas 78711, by certified mail, return receipt requested, on this the 23rd day of March, 1983.

David B. Kultgen

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Office Supreme Court, U.S. FILED

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ALEXANDER L. STEVAS.

NO. 82-1745

Supreme Court of the United States
October Term, 1982

KATHERINE MARIE PASCOE,

Appellant

V.

I. KUEHNAST, Appellee

On Appeal From The Supreme Court of Texas

MOTION TO DISMISS OR AFFIRM

JAMES O. TERRELL, P.C. 900 RepublicBank Tower P. O. Box 2367 Waco, Texas 76703 (817) 752-0395

Counsel for Appellee

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# Supreme Court of the United States October Term, 1982

KATHERINE MARIE PASCOE,

Appellant

V.

I. KUEHNAST, Appellee

On Appeal From The Supreme Court of Texas

## MOTION TO DISMISS OR AFFIRM

The Appellee moves the Court to dismiss the appeal herein or, in the alternative, to affirm the Judgment of the Supreme Court of Texas on the grounds that the Judgment of the Texas Courts rests on an adequate non-federal basis.

#### I.

# THE STATE STATUTE INVOLVED IN THE NATURE OF THE CASE

At all times relevant to the instant case, Article 3996 V.A.C.S. Texas provided:

"Every gift, conveyance, assignment, or transfer of . . . any estate real or personal . . . given with intent to delay, hinder, or defraud . . . other persons of or from what they are or may be lawfully entitled to, shall, as to such . . . other persons, their representatives, or assigns be void. This Article shall not effect the title of a purchaser, for valuable consideration, unless it appears that he had notice of the fraudulent intent of his immediate grantor, or the fraud rendering void the title of such grantor."

#### B. THE PROCEEDINGS BELOW

For clarity, Appellee will adopt the Appellant's method of identifying the pertinent parties.

In addition to the facts contained in Appellant's Statement of the Case, it should be pointed out that Pascoe was aware of the pending divorce, was present at the divorce hearing, and was possibly present at the property division hearing.

In order to effectuate the decision to convey the Waco property to Pascoe, Maxine came to Waco, Texas, in March of 1965. On March 26, 1965, Maxine caused the Warranty Deed purporting to convey the property to Pascoe to be prepared, executed and placed of record. All acts necessary to convey title to the Texas land were performed within the State of Texas.

At the trial of the cause in the 74th Judicial District of McLennan County, Texas, the Jury found: (1) Maxine, by her execution and delivery of the Deed to the Waco property, intended to defraud Irving of his present or potential interest in the Texas property; (2) Maxine intended to delay or hinder Irving from obtaining the Waco property; and, (3) Pascoe knew of Maxine's fraudulent intent at the time Pascoe received the Deed to the Waco property.

#### Π.

#### ARGUMENT

The Courts of Texas have recognized that a spouse with an interest in community property is embraced by the phrase "or other person" contained in Article 3996 V.A.C.S. *Biccochi v. Casey - Swasey Co.*, 42 S.W. 963 (Tex. 1897). Additionally, our Courts will enforce foreign divorce decrees awarding the interest of one spouse in Texas property to the other spouse. *McElreath v. McElreath*, 345 S.W.2d 722 (Tex. 1961).

Thus, even if Appellant were correct in his premise that Maxine's Deed effectively conveyed her one-half (1/2) interest to the Texas property to Pascoe, Irving is still entitled to recover that interest from Pascoe in light of Pascoe's knowledge of and participation in the scheme to fraudulently deprive Irving of any interest which he then had or which might have been awarded by the Iowa Court. As there is adequate and independent State ground of recovery, this case should not be reviewed by the Supreme Court of the United States. Herb v. Pitcairn, 1945, 65 S.Ct. 459, 324 U.S. 117, 87 L.Ed. 789.

#### CONCLUSION

For the foregoing reason, the Appeal should be dismissed or the Judgment of the Court below affirmed.

Respectfully submitted,

Original Signed by !

JAMES O. TERRELL, P.C. 900 RepublicBank Tower P. O. Box 2367 Waco, Texas 76703 (817) 752-0395

Counsel for Appellee, Irving Kuehnast

# CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Motion to Dismiss or Affirm has been mailed to each of Mr. David B. Kultgen, P. O. Box 529, Waco, Texas 76703, and Honorable Jim Mattox, Attorney General of Texas, Supreme Court Building, P. O. Box 12548, Austin, Texas 78711, by certified mail, return receipt requested, on this \_\_\_\_\_ day of \_\_\_\_\_\_, 1983.

Original Signed by: James D. Terrell

JAMES O. TERRELL